

COUNCIL MEETING

DATE: September 11, 2012

TIME STARTED: 7:00 p.m.

TIME ENDED: 9:10 p.m.

MEMBERS PRESENT: Mayor Doug Pomplun; Councilmember, Cindy Fahey, Todd Kiecker, Lois Gilles, Brad Augustin.

MEMBERS ABSENT:

Staff members present: Clerk Treasurer Administrator Marcia Seibert-Volz. Craig Marti, Supt. Utilities/Streets, City Attorney Tom VanHon.

Meeting was called to order by Mayor Doug Pomplun.

APPROVAL OF THE AGENDA: Motion by Lois Gilles, second by Cindy Fahey to approve agenda with addition of James Schroeder, Fire Chief, to number 8 on the agenda. Motion carried.

UNFINISHED BUSINESS: None

PUBLIC HEARING: None

PRESENTATIONS: RS Fiber Project. Shannon Sweeney was present to review RS Fiber Project amending the Joint Powers Agreement, Debt Service Agreement and appoint and alternate for the RS Fiber Board for the City. Motion by Brad Augustin, second by Todd Kiecker to appoint Doug as the Alternate for RS Fiber Board. Motion carried. Motion by Brad Augustin, second by Todd Kiecker to adopt Resolution 2012-19 approving amendment to JPA. Council polled: Lois-yes, Cindy-no, Brad-yes, Todd-yes, Doug-yes. Motion carried.

CITY OF FAIRFAX, MINNESOTA

RESOLUTION NO. 2012-19

APPROVING AMENDED AND RESTATED JOINT POWERS AGREEMENT FOR THE RENVILLE-SIBLEY COUNTY FIBER JOINT POWERS AGENCY

BE IT RESOLVED By the City Council (the "City Council") of the City of Fairfax, Minnesota (the "City") as follows:

Section 1. Recitals.

1.01. The Renville-Sibley County Fiber Joint Powers Agency (the "Agency") is a joint powers entity established under Minnesota Statutes, Section 471.59 to organize develop, construct and operate a broadband communications system (the "System") by for the member cities and counties (the "Members"). The City is a Member of the Agency.

1.02. In 2011, the Members entered into the Agency Joint and Cooperative Agreement for Planning and Development of a Communications System, as amended (the "Original Agreement").

1.03. The Original Agreement established the Renville/Sibley County Fiber Cooperative Committee, which Committee will be renamed the Renville-Sibley County Fiber Joint Powers Board (the "Board").

1.04. The Board has determined a need to modify the Original Agreement in certain respects, and to that end has caused to be prepared an Amended and Restated Joint Powers Agreement for the Renville-Sibley County Fiber Joint Powers Agency (the "Amended Agreement").

1.05. Among other things, the Amended Agreement provides that all Directors and Alternates serving on the Board shall be members of the governing body of each Member, as required under Minnesota Statutes, Section 471.59, subdivision 11.

1.06. The Board has requested that all Members approve and execute the Joint Powers Agreement.

Section 2. Approvals.

2.01. The City Council approves the Amended Agreement.

2.02. The Mayor and City Clerk-Treasurer-Administrator are authorized and directed to execute the Amended Agreement in substantially the form on file in City Hall, with such modifications that do not alter the

substance of the document that are approved by the Mayor, City Clerk-Treasurer-Administrator and City Attorney, and to deliver the executed document to the Agency.

2.03. City staff and consultants are authorized and directed to take all other actions required to carry out the intent of this Resolution.

Motion by Brad Augustin, second by Todd Kiecker to adopt Resolution 2012-20. Council polled: Lois-yes, Cindy-no, Brad-yes, Todd-yes, Doug-yes. Motion carried.

CITY OF FAIRFAX, MINNESOTA

RESOLUTION NO. 2012-20 APPROVING ISSUANCE BY RENVILLE-SIBLEY COUNTY FIBER JOINT POWERS AGENCY OF ITS TAX-EXEMPT REVENUE BONDS (FIBER OPTIC BROADBAND COMMUNICATIONS PROJECT) SERIES 2012 AND APPROVING RELATED DOCUMENTS

BE IT RESOLVED By the City Council (the "City Council") of the City of Fairfax, Minnesota (the "City") as follows:

Section 1. Recitals.

1.01. The Renville-Sibley County Fiber Joint Powers Agency (the "Agency") is a joint powers entity established under Minnesota Statutes, Section 471.59 to organize, develop, construct and operate a fiber optic broadband communications system (the "System") by for the member cities and counties (the "Members"). The City is a Member of the Agency.

1.02. In 2011, the Members entered into the Joint and Cooperative Agreement for Planning and Development of a Communications System, as amended (the "Original Agreement"), and have approved an Amended and Restated Joint Powers Agreement for the Renville-Sibley County Fiber Joint Powers Agency (the "Amended Agreement"), which Amended Agreement, upon execution, will supersede and replace the Original Agreement.

1.03. The Original Agreement established the Renville/Sibley County Fiber Cooperative Committee, which Committee will be renamed (under the Amended Agreement) the Renville-Sibley County Fiber Joint Powers Board (the "Board").

1.04. Under the Amended Agreement and Minnesota Statutes, Section 471.59, the Agency may issue bonds under any law by which any of the governmental units establishing the Board may independently issue bonds, and may use the proceeds of the bonds to carry out the purposes of the law under which the bonds are issued, provided that issuance of such bonds must be approved by all Members.

1.05. The Board has determined to issue its Tax-Exempt Revenue Bonds (Fiber Optic Broadband Communications Project) Series 2012 (the "Bonds") in order to finance the acquisition and construction of the System.

1.06. The Bonds will issued under an Indenture of Trust between Wells Fargo Bank, National Association (the "Trustee") and the Agency (the "Indenture"), and will be secured by Net Revenues (as defined in the Indenture) of the System, together with funds in a Debt Service Reserve Account.

1.07. As additional security for the Bonds, the Agency has requested that the Members enter into a Debt Service Shortfall Funding Agreement among the Agency, the Members and the Trustee (the "Debt Service Shortfall Funding Agreement"). Under the Debt Service Shortfall Funding Agreement, Members will pay certain amounts required to pay principal of and interest on the Bonds when due if Net Revenues are insufficient for such purposes;

provided that the payment of such obligations of Members is subject to each Member's right of non-appropriation in any fiscal year.

1.08. In connection with issuance of the Bonds, the Agency expects to authorize or enter into certain other documents, including without limitation a preliminary and final official statement (the "Official Statement") and a continuing disclosure agreement (the "Continuing Disclosure Agreement").

Section 2. Approvals.

2.01. The City Council authorizes issuance of the Bonds by the Agency pursuant to the Indenture, in a principal amount not to exceed \$77,000,000, and with a yield (for federal tax purposes) not to exceed 6.5%.

2.02. The City Council approves, and authorizes the Mayor and City Clerk-Treasurer-Administrator to execute, the Debt Service Shortfall Funding Agreement in substantially the form on file in City Hall, with such modifications that do not alter the substance of the transaction that are approved by the Mayor, City Clerk-Treasurer-Administrator and City Attorney, and to deliver the executed document to the Agency. Execution of the Debt Service Shortfall Funding Agreement by City officials will be conclusive evidence of all approvals required under this Section.

2.03. The City Council approves inclusion in the Official Statement of language describing the City together with City financial statements, and authorizes and directs the Mayor and City Clerk-Treasurer-Administrator to execute a certificate as to the accuracy of such language and financial statements, upon review by the City Clerk-Treasurer-Administrator and City Attorney; provided that execution of such certificate will be conclusive evidence of all approvals required under this Section.

2.04. The Mayor, City Clerk-Treasurer-Administrator and any other City officials are authorized and directed to execute, on behalf of the City, the Continuing Disclosure Agreement, any consent to the Indenture requested by the Agency, and any other certificates or documents reasonably requested by bond counsel or the bond underwriter as a condition for issuance of the Bonds.

2.05. City staff and consultants are authorized and directed to take all other actions reasonably necessary to carry out the intent of this Resolution.

2.06. The approvals in this Resolution terminate and expire if the Bonds have not been issued by December 31, 2012.

BID OPENING & QUOTES:

Snow Plow Truck: Pursuant to advertisement for bids on the 1993 international plow truck, a bid from Volz & Frank was received in the amount of \$ 4,200.00. Only one bid was received.

Motion by Lois Gilles to accept the bid. Motion failed for lack of a second. Motion by Todd Kiecker, second by Brad Augustin to reject bid for \$ 4,200.00. Motion carried.

CONSENT AGENDA: Motion by Lois Gilles, second by Cindy Fahey to approve consent agenda. Motion carried.

- 7.1 Approval of minutes dated August 15, 2012
- 7.2 Dakota Supply Group Pay Est. 8 \$ 8,769.90
- 7.3 General Construction pay est. 3 \$ 243,950.00
- 7.4 Kuechle Pay est. # 5 \$ 414,965.88
- 7.5 Deming Construction Pay est. 1 \$ 41,4897.07
- 7.6 Salonek Change order 5 – Option 3.
- 7.7 Claims for payment

CLAIMS FOR PAYMENT:

4-Square Builders
American Engineering Test

MAINTENANCE SUPPLIES
SOIL TESTING

297.05
2,903.50

Ameripride Linen Services	LAUNDRY - LIQUOR STORE	319.54
Aquatic Technology Inc	POOL SUPPLIES	193.64
Arctic Glacier	ICE	273.50
Arneson Distributing Inc	BEER & JUICE	1,523.70
Arvig Communication System	INTERNET PD	63.90
Astleford International Tr	2001 Sterling Snow Plow truck	40,778.00
Automatic Systems Co.	REPAIRS WATER PLANT	913.80
Bernicks Pepsi Cola	ICE MACHINE RENT & POP	959.85
Bernie Wenner	BUILDING INSPECTOR	1,794.56
Bolton & Menk	ENGINEERING	57,336.00
Border States	ELECTRIC SUPPLIES	1,475.08
Brandon Bergman	2012 CIP REBATE	50.00
Brian Buboltz	2012 CIP REBATE	35.00
Bryan Rock Products Inc.	BALL DIAMOND AGG	754.73
Casey's	GAS	985.56
Central Minnesota Municip	POWER PURCHASED	27,067.16
CenturyLink	TELEPHONE	1,303.94
Chip Steak & Provision Com	SUPPLIES FOR RESALE	912.55
Chuck Firle	GRAVEL, HAUL COMPOST	1,030.00
City of Fairfax	POSTAGE & UTILITY BILLS	13,848.52
Clobes Sanitation	GARBAGE CONTRACT & CITY PICKUP	3,292.50
Dakota Supply Group	GAS SUPPLIES & AMR INSTALL	8,877.67
Danelle Borth	2012 CIP REBATE	50.00
Dave Borth	2012 CIP REBATE	50.00
Dave's Full Service	GAS	640.20
Dave's Refrigeration	FREEZER REPAIR - BAR	106.75
Deming Construction	PAY EST 1	41,487.07
Department of Energy-WAPA	POWER PURCHASED	26,700.48
Derk's Windows	WASH WINDOWS CITY HALL & LIBRARY	385.00
Duebers	SUPPLIES	103.22
Emergency Apparatus Mainte	AMBULANCE REPAIRS	583.48
Fahey-Klages Tiling	BACKHOE-WATER LEAKS	2,320.00
Fairfax Postmaster	POSTAGE - UTILITY BILLS	313.04
Fairfax Standard	PUBLISHING	310.12
Farm Merchantile Inc.	SUPPLIES & REPAIRS	717.04
Fleet Services - Dept of A	SQUAD CAR PAYMENT	658.13
Frontier Bar	SUPPLIES FOR RESALE	206.49
Frontline Plus Inc	CIVIL DEFENSE SIREN UPGRADE	2,001.23
General Construction Servi	WATER TOWER PMT	244,150.00
Gopher State One Call	LOCATES	71.35
Harry's Frozen Food	SUPPLIES FOR RESALE	146.50
Hawkins Water Treatment	CHEMICALS	5.00
Heggies Pizza	SUPPLIES FOR RESALE	725.50
Hermel Wholesale	SUPPLIES FOR RESALE	854.10
Jahnke Water Inc.	SALT	38.31
Jerry's Transmission Servi	FIRE TRUCK REPAIR	425.50
Johnson Bros. Wholesale	LIQUOR	2,774.85
Juicebelly Entertainment	DJ-Liquor store	300.00
Kibble Equipment Inc	MOWER REPAIR	123.51
Kiecker Plumbing & Heating	REPAIRS DEPOT PARK	1,220.72
Kuechle Underground Inc	PAY ESTIMATE 5	414,965.88
Kyle Haugen	2012 CIP REBATE	35.00
L.M.C.I.T.	KH DEDUCTIBLE	333.50
League of MN Cities	MEMBERSHIP DUES	1,276.00
Locher Bros. Inc.	BEER	8,710.35
MN Department of Revenue	LIQUOR SALES TAX - AUG	11,240.00
MN Dept. of Health	STATE WATER FEE JULY-SEPT	891.00
MN Valley Testing Lab.	WATER TESTING	131.50
Mabelle Stoll	2012 CIP REBATE	35.00
Maria Davila	BLDG PERMIT REFUND	157.76
Martin Trucking, LLC	FREIGHT	181.00
Matheson Tri-Gas Inc	BEER GAS	97.13
Maynard's of Fairfax	SUPPLIES FOR RESALE	369.25
Mediacom	INTERNET - CITY HALL	437.47
Merchant Services	LIQUOR CREDIT CARD FEES AUG	490.86
Mikes Auto Parts	SHOP SUPPLIES	328.90
Missouri River Energy Ser	MONTHLY FEE	500.00
Moonlight Floor Cleaning	STRIP & WAX FLOORS - BAR	1,004.63
New Ulm Public Utilities	NATURAL GAS & TRANSP. PURCHASE	55,948.62
Nicklasson Athletic Compan	LIBRARY EXPENSE	29.16
North Star Pump Service	PUMPS - LIFT STATION	5,011.49

Northern Lights Dist.	SUPPLIES FOR RESALE	2,537.76
Office Depot	COPY PAPER, PRINTER< COPIER	1,444.02
Pioneerland Library Sys.	YOUTH BOOK \$1500.00 quarterly pmt.	7,589.50
Pitney Bowes Inc.	POSTAGE	568.76
Project One	Project One Est. 7	31,440.00
Public Safety Equipment LL	RADAR CERT - PD	92.06
RVS Shredding	SHREDDING	30.00
Red Feather	SUPPLIES	73.64
Renville Co Highway Dept	STREET MAINTENANCE	259.92
Renville County	LANDFILL FEES	3,581.50
Revtrak Inc	REVTRAK FEES - AUG	501.73
South Central Grain & Ener	RODEO	352.54
Steve's Bakery	ELECTION EXPENSE	190.73
Stuart C Irby Co.	ELECTRIC SUPPLIES	81.31
T & R Electric	TRANSFORMER	7,413.92
Tapper's Beer Line Servic	CLEAN BEER TAPS	32.50
Ted Domeier	Title fee	18.25
Tierney Brothers Inc	SMART BOARD - LIBRARY	3,301.68
Tom VanHon	AUG & SEPT ATTORNEY FEES	2,000.00
Tow Distributing Corp.	BEER	4,545.03
Upbeat	BENCHES, TRASH CAN LIBRARY	2,547.21
Verizon Wireless	TELEPHONE	419.15
Viking Coca-Cola Bo. Co.	POP	282.50
WBM Wine & Spirits Inc.	LIQUOR PURCHASED	2,048.46
Weis Oil	GAS	1,304.59
Xcel Energy	TM1 TRANSMISSION	4,979.25
Younger & Walton PLLC	ATTORNEY FEES	1,000.00
Payroll Expense		50,753.31

FIRE DEPT. James Schroeder, Fire Chief, was present on behalf of the fire department members to request consideration of splitting the Fire Dept. and Ambulance Service for membership purposes. The members would still be required to respond to all calls and attend all meetings. Council tabled action directing the membership committee to present numbers on prospective members on whether they would want to serve as just a F.D. member or ambulance service member or both. It will be put on the October agenda

TOBACCO –FREE PARK SYSTEM POLICY: Motion was made by Lois Gilles, second by Brad Augustin to approve the following policy. Motion carried.

CITY OF FAIRFAX PARK AND RECREATION TOBACCO-FREE PARK SYSTEM POLICY

1. GUIDELINE STATEMENT.

City of Fairfax Parks and Recreation Tobacco-Free Policy is designated to protect the health, welfare, and safety of our park patrons.

2. POLICY STATEMENT

The City of Fairfax is committed to the quality of life for all residents, therefore, we believe:

- a. All forms of tobacco product use in the proximity of children, youth and adults engaging in or watching recreational activities is unhealthy and detrimental to the health of others.
- b. All forms of tobacco products consumed in public spaces are often discarded on the ground, thus posing a risk of ingestion to toddlers and causing a litter problem.
- c. As community members, parent, leaders, coaches and officials, we are thought of as role models and the use of tobacco product around youth has a negative effect on their lifestyle choices.

3. TOBACCO-FREE FACILITIES

The City of Fairfax does not allow the use of any tobacco products on City owned park land, recreational facilities, City facilities, and open space.

4. COMPLIANCE PROCEDURES

The emphasis on enforcing the Tobacco-Free parks and recreation policy is through voluntary compliance:

- a. Appropriate City-owned park land, recreational facilities, open space will be signed.

- b. City of Fairfax staff will meet with activity organizations and/or teachers or coaches to discuss the policy and to distribute flyers with the "Tobacco Free" policy provisions.
- c. City staff will make periodic observations of activity sites to monitor compliance.
- 5. **Exception – Chewing Tobacco at Baseball fields**
 - a. In recognition of the long-standing connection between the use of chewing tobacco and the sport of baseball, this policy does not apply to the use of chewing tobacco at the baseball facilities at Memorial Park.
- 6. **Adoption Date:** September 11, 2012
- 7. **Effective Date** October 1, 2012

2013 BUDGET: The council reviewed the 2013 budget. Discussion took place. Adjustments were made on the following items:

Storm Sewer repairs on 4th St. SE adjust to reflect \$ 36,000.00 (add \$27,000 to the \$ 9,000)
 Tennis Courts repair \$ 6,600.00 Remove 20,000.00
 Sidewalk program remove \$ 20,000.00
 Police car remove the \$ 25,000 and allocate \$ 10,000 for buyout on present car.
 Police car equipment for new squad – remove \$ 5,000
 Streets- vehicle remove 13,000 from 2013 budget and budget 13,000 in 2014 for purchase
 Streets \$ 186,800.00

Motion was made by Lois Gilles, second by Todd Kiecker to approve allocating reserves in the amount of \$ 222,800.00 for 2013 street project upon recommendation of the Street Committee. Motion carried.

RESOLUTION 2012-21: Motion by Cindy Fahey, second by Lois Gilles to approve Resolution 2012-21 adopting the preliminary 2013 budget. Motion carried.

RESOLUTION # 2012-21

RESOLUTION APPROVING THE 2013 PRELIMINARY BUDGET FOR THE CITY OF FAIRFAX.

BE IT RESOLVED, by the City Council of the City of Fairfax, County of Renville, State of Minnesota, that the 2013 Preliminary budget presented and on file in the Clerk Treas. Administrator's office be approved and the levy be certified to the County Auditor.

RESOLUTION 2012-22: Motion was made by Brad Augustin, second by Todd Kiecker to adopt Resolution 2012-22 approving the proposed 2012 levy (collectible 2013). Motion carried.

RESOLUTION #2012-22

RESOLUTION APPROVING THE 2012 PROPOSED LEVY, COLLECTIBLE IN 2013.

BE IT RESOLVED, by the City Council of the City of Fairfax, County of Renville, State of Minnesota, that the following sums of money be levied for current year, collectible in 2013, upon the taxable property in the City of Fairfax for the following purpose:

Amount levied for General Fund	\$	433,363.70
Amount levied for Debt Service		<u>10,636.30</u>
TOTAL	\$	444,000.00

BE IT FURTHER RESOLVED, that a public hearing be called for the purpose of hearing comments from the public on the 2012 proposed tax levy (payable in 2013). Said hearing to be set at 7:00 p.m. on the 11th of December, 2012.

STAFF REPORTS:

Marcia Seibert-Volz:

- Building permits issued in August:
 Shingle/siding Dory Schreiner, Elmer Kiecker, Richard Frank

Shingle	Chad Buboltz, Dennis Schweiss Scott Valentin, Dale Burmeister, Leann Hanson, Everette Hanson, Myron Schweiss, Julie Johnson, Rich Beltz, Lawrence Schweiss, Bernice Lyngholm, Fairview-HRA, Vern Peterson, Leona Schmitz, Ray Weikle.
Siding	Jim Moeller, Frank Hanson, Carl Lund.
Windows & Doors	Fairfax Agency, Scott Froelich,
Storage Shed	Walter Valentin

- Water Tower Design: Motion by Todd Kiecker, second by Brad August to approve the Water Tower Design the committee recommended. Motion carried.
- Contractors are reviewing the scratched windows at the Library. Negotiating replacement.
- Sign Retroreflectivity requires a plan in place by June 13, 2014.

Craig Marti:

- Street Project update from contractor is the bituminous will be done by the end of next week. The boulevards will be completed following the bituminous.
- AMR meter installation is almost complete.
- Water tower is scheduled to be erected next week.

Kevin Hagen: Police report was given by Chief Hagen.

COMMITTEE REPORTS:

Personnel Committee Recommendations: The Apprenticeship Lineman Program initially requires one journeyman supervise the apprentice and following the initial participation it will require three (3) Journeyman for every apprenticeship enrollee. Craig has not completed his apprenticeship program to date. Eric Nelson, Eric Fahey, and Joel Grejtak have been enrolled in the MMUA Lineman Program. The next enrollee in the apprenticeship program following completion by Craig will depend on the modules completed within the MMUA program. If all employees are at the same level it will go by seniority. Upon completion of each module the employee will receive a \$ 1.75 per hour increase in pay. Craig Marti has obtained his water and waste water license and is going to step one of Supt. of Utilities & Streets and will be the supervisor in the Utility & Street Dept. This results in an increase from \$ 21.25/hr. to \$ 28.11 per hour. No step increases will be allowed until he has obtained journeyman certification. Jack Kiecker is moving to part time status. The Committee recommends Jack remain at his current pay rate but will no longer have health insurance benefits, vacation or sick leave benefits. Reviewing the costs associated with the premium and deductibles, etc. it was determined with the reduction of one family coverage and the VEBA costs that the insurance costs would remain constant for the city. No action will be required. The establishment of a new class Public Works Specialist will be developed. This will include employees that are certified in all departments: Water class C license, Wastewater Class D, Gas certification and Journeyman line worker. Committee is considering a 1.8% COLA for employees and increasing special council meeting per Diem to \$ 40.00.

Motion by Brad Augustin, second by Todd Kiecker to approve \$1.75 per module pay increase and approve the enrollment into the Apprenticeship Lineman Program by completion of modules or if everyone has the same status to enroll by seniority. Motion carried.

Motion by Brad Augustin, second by Todd Kiecker to increase Craig Marti wage from \$21.25/hr. to step one of Supt. Of Utilities & Streets \$ 28.11 per hour with no further step increases until journeyman lineman certification is obtained. Motion carried.

Motion by Brad Augustin, second by Lois Gilles to approve Jack Kiecker moving to Part time status with no benefits and remaining at his current hourly rate. Also, approving establishment of Public Works Specialist class. Motion carried.

Action was tabled on the 1.8% COLA and Council special meeting per diem to \$ 40.00.

COORESPONDENCE: None

COUNCIL CONCERNS: Councilor Lois Gilles wanted to thank the Library Board and Friends of the Library for the great job on the Grand Opening and the community's support at the Library Grand Opening.

ADJOURNMENT: Motion by Lois Gilles, second by Cindy Fahey to adjourn at 9:10 p.m. Motion carried.

Mayor Doug Pomplun

ATTEST: _____
Marcia Seibert-Volz, City Administrator